

# Sacramento Metro Area Economic Forecast

The Sacramento metropolitan region, which consists of three counties—Placer, Sacramento, and El Dorado is influenced by the rapid growth of industry and population primarily in Sacramento and Placer Counties. The economic expansion of the later 1990s brought significant growth to the region, in terms of electronics employment growth, overall population growth, and a large surge in new housing.

In 2001, the three county area demonstrated greater economic resilience than any other Northern California region. The Sacramento Valley economy continued to create jobs, lower unemployment, and increase incomes during an otherwise “recession” year in California.

The region is home to 1.7 million residents, the dominant portion living in Sacramento County, and in particular, the City of Sacramento. Public Sector employment is a driving economic force, supporting State of California government departments located in Sacramento.

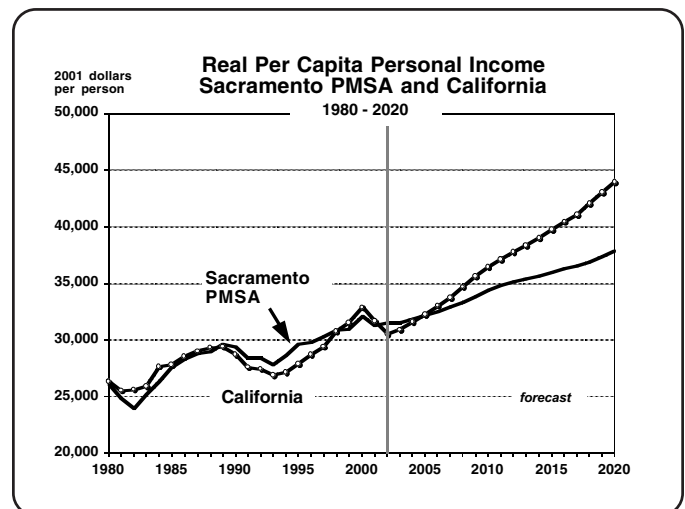
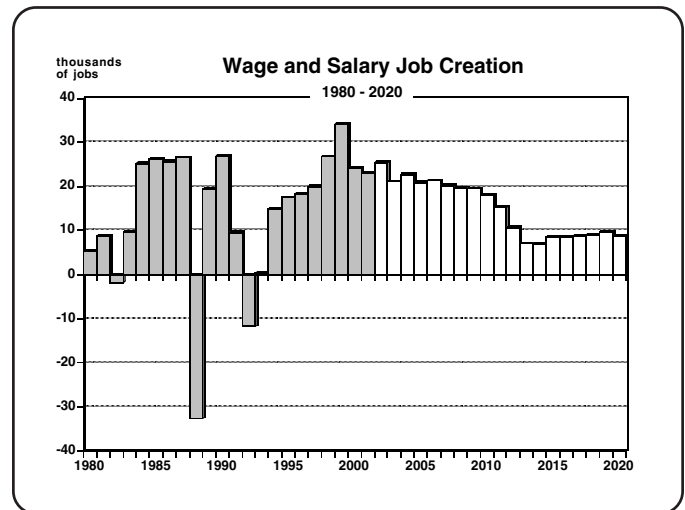
## The Highway 65 Corridor

The Highway 65 Corridor lies 20 miles east of Sacramento on Interstate 80, only 90 minutes from the ski resorts, casinos, and alpine recreation areas of Lake Tahoe and two hours from the Pacific Ocean. Retail opportunities along Highway 65 Corridor include the Galleria Roseville and Creekside development, professional office space (such as space occupied by Agilent Technologies), recently completed transportation corridors such as East Roseville parkway, Blue Oaks Boulevard, Pleasant Grove Road, and finally access from 65 to Interstate I-80. California businesses considering expansion or relocation to other states have achieved similar benefits by locating along the Highway 65 Corridor.

Population  
January 2001

|                   |           |
|-------------------|-----------|
| Sacramento County | 1,258,629 |
| Sacramento        | 418,711   |
| Citrus Heights    | 86,794    |
| Folsom            | 57,166    |
| Galt              | 20,259    |

|                  |         |
|------------------|---------|
| El Dorado County | 159,693 |
| Placerville      | 9,911   |
| South Lake Tahoe | 23,956  |



|               |         |
|---------------|---------|
| Placer County | 257,511 |
| Roseville     | 83,002  |
| Rocklin       | 38,634  |
| Lincoln       | 13,898  |
| Auburn        | 12,511  |

## Forecast Highlights

- Population growth accelerates in the region to 2.3 percent per year over the next 5 years. Higher levels of migration (due to the availability and the affordability of housing) and an increase in the natural increase are responsible for the faster population growth forecast.

# Sacramento Metro Area Economic Forecast

## 1995-2001 History, 2002-2020 Forecast

|      | Population<br>(people) | Net<br>Migration<br>(people) | Registered<br>Vehicles<br>(thousands) | Households<br>(thousands) | New Homes<br>Permitted<br>(homes) | Retail<br>Sales<br>(billions) | Personal<br>Income<br>(billions) | Real Per<br>Capita<br>Income<br>(dollars) | Farm<br>Crop<br>Value<br>(millions) | Industrial<br>Production<br>(billions) |
|------|------------------------|------------------------------|---------------------------------------|---------------------------|-----------------------------------|-------------------------------|----------------------------------|---|-------------------------------------|--|
| 1995 | 1,496,900              | 736                          | 1,232                                 | 550.8                     | 7,317                             | \$10.0                        | \$35.4                           | \$29,657                                  | \$293                               | \$7.2                                  |
| 1996 | 1,518,400              | 10,001                       | 1,272                                 | 557.3                     | 8,203                             | \$10.5                        | \$36.9                           | \$29,780                                  | \$314                               | \$7.5                                  |
| 1997 | 1,543,400              | 14,320                       | 1,224                                 | 563.7                     | 9,255                             | \$11.1                        | \$39.4                           | \$30,280                                  | \$326                               | \$7.8                                  |
| 1998 | 1,579,500              | 25,584                       | 1,312                                 | 571.0                     | 13,220                            | \$11.8                        | \$42.4                           | \$30,799                                  | \$340                               | \$8.3                                  |
| 1999 | 1,621,100              | 31,269                       | 1,361                                 | 580.1                     | 14,074                            | \$13.6                        | \$45.5                           | \$30,920                                  | \$372                               | \$9.8                                  |
| 2000 | 1,639,200              | 29,128                       | 1,435                                 | 603.2                     | 15,691                            | \$15.3                        | \$49.9                           | \$32,084                                  | \$370                               | \$10.8                                 |
| 2001 | 1,693,200              | 42,997                       | 1,493                                 | 615.6                     | 17,593                            | \$16.7                        | \$53.0                           | \$31,288                                  | \$398                               | \$10.9                                 |
| 2002 | 1,740,074              | 35,887                       | 1,526                                 | 628.4                     | 16,171                            | \$17.7                        | \$56.9                           | \$31,554                                  | \$410                               | \$11.3                                 |
| 2003 | 1,783,332              | 32,045                       | 1,560                                 | 643.7                     | 15,922                            | \$18.6                        | \$59.9                           | \$31,560                                  | \$424                               | \$11.8                                 |
| 2004 | 1,824,868              | 30,080                       | 1,596                                 | 658.7                     | 16,064                            | \$19.7                        | \$63.6                           | \$31,868                                  | \$432                               | \$12.5                                 |
| 2005 | 1,865,770              | 29,188                       | 1,632                                 | 673.9                     | 16,125                            | \$20.9                        | \$67.4                           | \$32,121                                  | \$441                               | \$13.1                                 |
| 2006 | 1,906,321              | 28,603                       | 1,668                                 | 689.1                     | 16,361                            | \$22.3                        | \$71.5                           | \$32,449                                  | \$448                               | \$13.8                                 |
| 2007 | 1,946,496              | 28,061                       | 1,704                                 | 704.6                     | 16,173                            | \$23.6                        | \$75.9                           | \$32,831                                  | \$455                               | \$14.3                                 |
| 2008 | 1,986,021              | 27,292                       | 1,739                                 | 719.9                     | 16,245                            | \$25.2                        | \$80.7                           | \$33,330                                  | \$461                               | \$14.8                                 |
| 2009 | 2,025,580              | 27,203                       | 1,774                                 | 735.2                     | 16,534                            | \$26.9                        | \$85.9                           | \$33,849                                  | \$467                               | \$15.4                                 |
| 2010 | 2,065,475              | 27,428                       | 1,807                                 | 750.9                     | 16,756                            | \$28.7                        | \$91.6                           | \$34,386                                  | \$475                               | \$16.0                                 |
| 2011 | 2,105,095              | 27,035                       | 1,839                                 | 766.7                     | 16,670                            | \$30.8                        | \$97.4                           | \$34,845                                  | \$482                               | \$16.7                                 |
| 2012 | 2,143,741              | 25,929                       | 1,866                                 | 782.5                     | 16,411                            | \$32.8                        | \$103.1                          | \$35,129                                  | \$496                               | \$17.1                                 |
| 2013 | 2,181,692              | 25,132                       | 1,888                                 | 798.0                     | 16,271                            | \$35.0                        | \$108.8                          | \$35,364                                  | \$509                               | \$17.4                                 |
| 2014 | 2,219,157              | 24,568                       | 1,907                                 | 813.4                     | 16,191                            | \$37.1                        | \$114.8                          | \$35,620                                  | \$523                               | \$17.9                                 |
| 2015 | 2,256,675              | 24,566                       | 1,926                                 | 828.7                     | 16,291                            | \$39.5                        | \$121.1                          | \$35,930                                  | \$540                               | \$18.2                                 |
| 2016 | 2,294,648              | 25,008                       | 1,945                                 | 844.1                     | 16,523                            | \$42.0                        | \$127.9                          | \$36,232                                  | \$560                               | \$18.6                                 |
| 2017 | 2,332,725              | 25,087                       | 1,963                                 | 859.7                     | 16,828                            | \$44.7                        | \$135.0                          | \$36,489                                  | \$583                               | \$19.1                                 |
| 2018 | 2,371,327              | 25,622                       | 1,982                                 | 875.6                     | 17,212                            | \$47.6                        | \$142.8                          | \$36,866                                  | \$605                               | \$19.7                                 |
| 2019 | 2,410,144              | 25,882                       | 2,001                                 | 891.9                     | 17,465                            | \$50.6                        | \$151.5                          | \$37,372                                  | \$627                               | \$20.1                                 |
| 2020 | 2,448,995              | 26,021                       | 2,019                                 | 908.4                     | 17,633                            | \$53.6                        | \$160.2                          | \$37,831                                  | \$647                               | \$20.6                                 |

- The region will add 25,000 new wage and salary jobs in 2002. Between 2002 and 2007, job growth is forecast to average 2.6 percent per year. Much of the gain in job creation will be attributable to the services sector.

### Forecast Job Creation of the next 5 years:

|               |        |
|---------------|--------|
| Services      | 48,000 |
| Trade         | 16,800 |
| Government    | 16,700 |
| Manufacturing | 7,200  |
| Construction  | 5,700  |

- The region added public sector jobs at an average annual 3.0 percent rate between 1995 and 2000. The rate of growth in state and local government jobs is forecast to slow to 2.4 percent over the next 5 years.
- The unemployment rate averages 4.9 percent over the next 5 years.

- Real personal income is forecast to rise 3.1 percent per year during the decade. Real per capita income is forecast to grow 0.80 percent per year between 2002 and 2007. The slowdown in capital gains income is the reason for the decelerated growth of total personal income over the foreseeable future.

- 16,200 units per year are forecast for the Sacramento MSA over the next 5 years. Most of these homes will be permitted in Sacramento County. Non-residential building also remains prolific in Sacramento County.
- Housing prices, adjusted for inflation, rise 2.4 percent per year between 2002 and 2007. More housing stock in the region keeps home prices in check.

| Total<br>Wage & Salary<br>(000) | Farm<br>(000) | Construction<br>(000) | Mining<br>(000) | Manufacturing<br>(000) | Transportation,<br>Utilities<br>(000) | Wholesale,<br>Retail<br>Trade<br>(000) | Finance,<br>Real<br>Estate<br>(000) | Services<br>(000) | Government<br>(000) |
|---------------------------------|---------------|-----------------------|-----------------|------------------------|---------------------------------------|--|-------------------------------------|-------------------|---------------------|
| -----employment (jobs)-----     |               |                       |                 |                        |                                       |  |                                     |                   |                     |
| 591                             | 3.6           | 27.6                  | 0.2             | 40.7                   | 25.0                                  | 131.2                                  | 38.9                                | 157.7             | 165.8               |
| 609                             | 3.7           | 30.0                  | 0.2             | 43.3                   | 24.8                                  | 133.8                                  | 39.3                                | 167.1             | 166.7               |
| 629                             | 3.8           | 33.2                  | 0.2             | 45.3                   | 24.7                                  | 136.7                                  | 42.2                                | 173.9             | 169.1               |
| 656                             | 3.7           | 37.1                  | 0.2             | 46.8                   | 26.2                                  | 140.0                                  | 47.5                                | 182.5             | 171.8               |
| 690                             | 3.9           | 43.5                  | 0.2             | 48.5                   | 27.1                                  | 144.9                                  | 49.7                                | 193.4             | 178.6               |
| 714                             | 4.0           | 47.5                  | 0.3             | 50.7                   | 27.5                                  | 152.5                                  | 47.8                                | 202.0             | 181.4               |
| 737                             | 4.4           | 53.0                  | 0.4             | 51.3                   | 28.1                                  | 156.5                                  | 49.1                                | 205.7             | 188.4               |
| 762                             | 4.1           | 55.4                  | 0.4             | 52.0                   | 28.8                                  | 160.1                                  | 54.1                                | 215.7             | 191.7               |
| 783                             | 4.1           | 57.2                  | 0.4             | 53.3                   | 29.4                                  | 163.4                                  | 55.6                                | 225.2             | 194.8               |
| 806                             | 4.2           | 58.2                  | 0.4             | 54.9                   | 30.1                                  | 166.7                                  | 57.7                                | 235.3             | 198.4               |
| 827                             | 4.5           | 59.1                  | 0.4             | 56.5                   | 30.6                                  | 170.0                                  | 59.0                                | 244.8             | 201.8               |
| 848                             | 4.9           | 59.9                  | 0.4             | 57.9                   | 31.2                                  | 173.4                                  | 60.6                                | 254.6             | 205.1               |
| 868                             | 4.7           | 61.1                  | 0.4             | 59.2                   | 31.7                                  | 176.8                                  | 62.1                                | 264.0             | 208.4               |
| 888                             | 4.3           | 61.7                  | 0.4             | 60.4                   | 32.1                                  | 180.4                                  | 63.5                                | 273.4             | 211.8               |
| 907                             | 4.4           | 61.6                  | 0.4             | 61.4                   | 32.5                                  | 184.0                                  | 64.7                                | 282.2             | 216.0               |
| 925                             | 4.5           | 60.9                  | 0.4             | 62.3                   | 32.8                                  | 187.8                                  | 65.9                                | 290.3             | 220.4               |
| 941                             | 4.6           | 60.2                  | 0.4             | 63.0                   | 33.0                                  | 191.6                                  | 66.7                                | 297.1             | 224.0               |
| 952                             | 4.8           | 59.7                  | 0.4             | 63.6                   | 32.9                                  | 195.4                                  | 67.1                                | 301.2             | 226.5               |
| 959                             | 4.9           | 58.3                  | 0.4             | 64.1                   | 32.7                                  | 199.1                                  | 67.3                                | 304.1             | 227.6               |
| 966                             | 4.9           | 57.4                  | 0.4             | 64.4                   | 32.8                                  | 202.7                                  | 67.6                                | 307.4             | 227.9               |
| 974                             | 4.8           | 56.8                  | 0.4             | 64.6                   | 33.1                                  | 206.2                                  | 68.0                                | 311.7             | 228.3               |
| 982                             | 4.8           | 56.6                  | 0.4             | 64.7                   | 33.4                                  | 209.8                                  | 68.3                                | 315.4             | 229.0               |
| 991                             | 4.9           | 56.6                  | 0.4             | 64.6                   | 33.8                                  | 213.2                                  | 68.6                                | 319.2             | 229.8               |
| 1,000                           | 5.1           | 56.7                  | 0.4             | 64.4                   | 34.2                                  | 216.7                                  | 68.9                                | 322.8             | 230.9               |
| 1,010                           | 5.2           | 57.2                  | 0.4             | 64.0                   | 34.6                                  | 220.1                                  | 69.1                                | 326.5             | 232.5               |
| 1,018                           | 5.2           | 57.8                  | 0.4             | 63.4                   | 35.0                                  | 223.5                                  | 69.1                                | 329.5             | 234.4               |

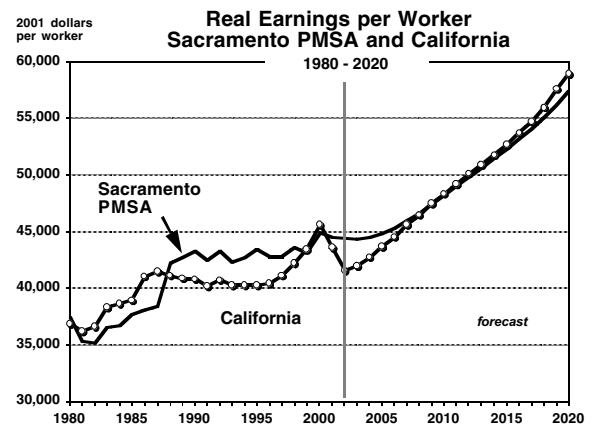
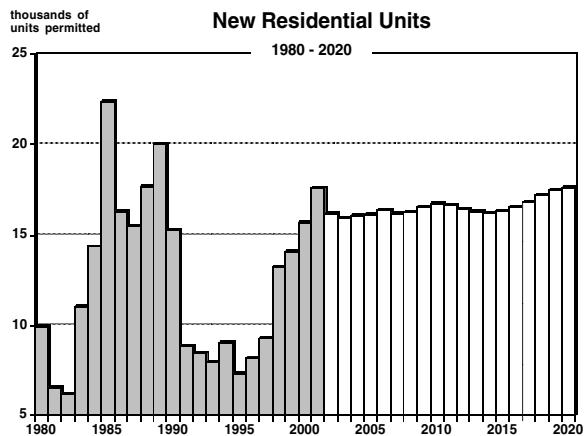
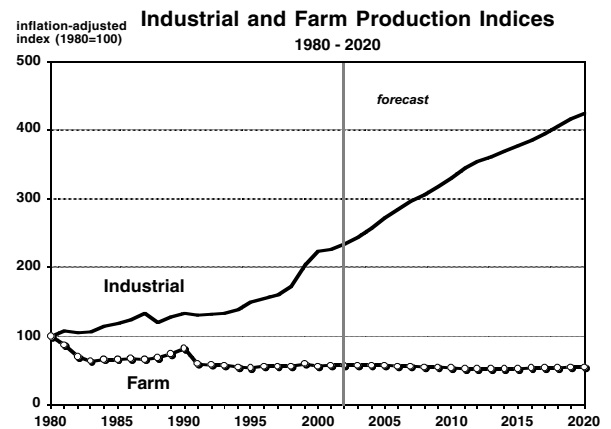
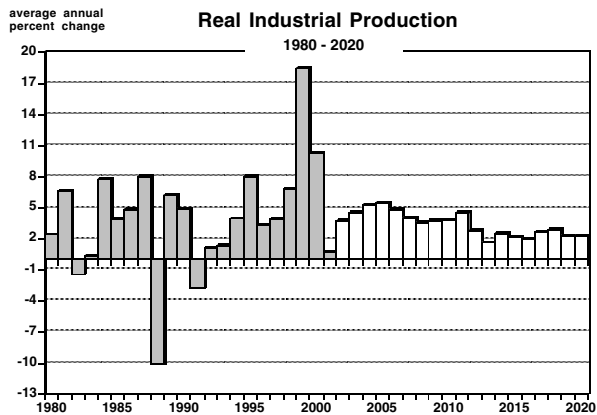
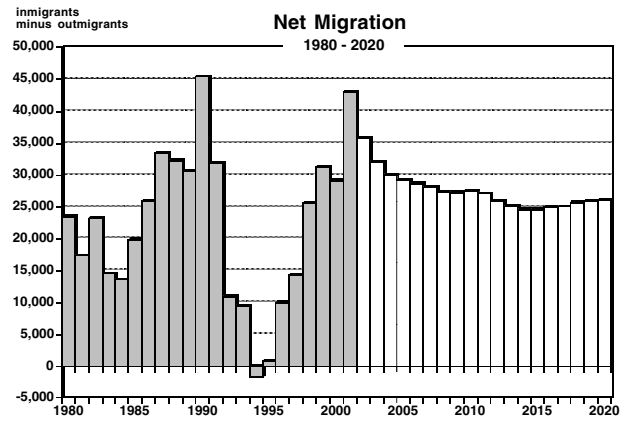
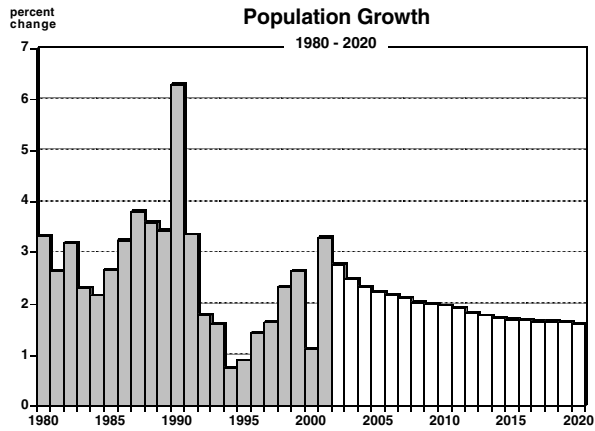
**PRIVATE SECTOR WAGES****4th QUARTER 2000**

| <u>Occupational Title</u>            | <u>Mean Annual Wage</u> |
|--------------------------------------|-------------------------|
| Computer Hardware Engineers          | \$88,287                |
| Pharmacists                          | \$70,057                |
| General and Operational Managers     | \$69,828                |
| Advertising and Promotions Managers  | \$69,774                |
| Chemical Engineers                   | \$67,511                |
| Industrial Engineers                 | \$67,484                |
| Real Estate Brokers                  | \$65,410                |
| Electrical Engineer                  | \$63,859                |
| Financial Analysts                   | \$57,000                |
| Registered Nurses                    | \$56,357                |
| Computer Systems Analysts            | \$55,312                |
| Computer Programmers                 | \$54,684                |
| Multi-Media Artists and Animators    | \$52,893                |
| Police and Sheriff's Patrol Officers | \$52,883                |
| Database Administrators              | \$50,374                |
| Computer and Information Research    | \$41,468                |
| Child, Family, School Social Workers | \$35,154                |
| Legal Secretaries                    | \$33,805                |
| Construction Laborers                | \$29,661                |
| Biological Technicians               | \$27,803                |
| Data Entry personnel                 | \$23,827                |
| Retail Salespersons                  | \$21,628                |

Prepared by Sacramento Regional Research Institute

Note: Wage Data from EDD is available for Sacramento PMSA area only.

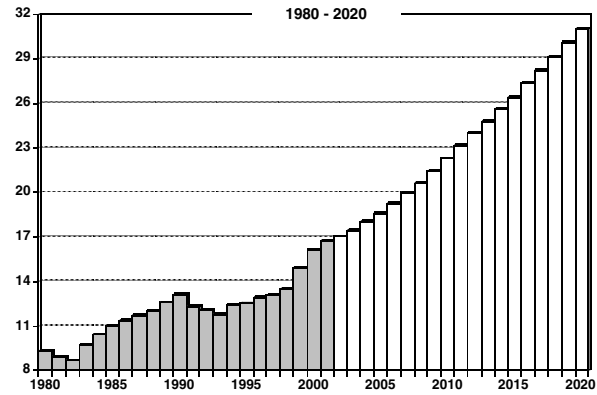
Source: California Employment Development Department, Labor Market Information Division, OES Employment and Wages by Occupation, Fourth Quarter 2000



billions of  
2001 dollars

### Real Taxable Retail Sales

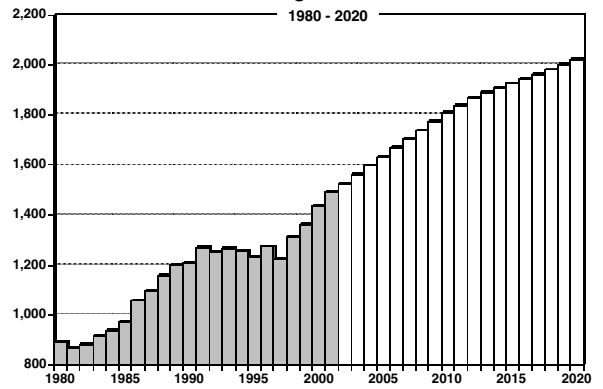
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

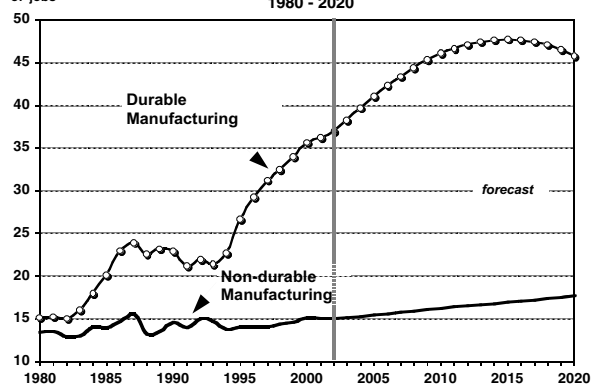
1980 - 2020



thousands of  
jobs

### Employment in Manufacturing

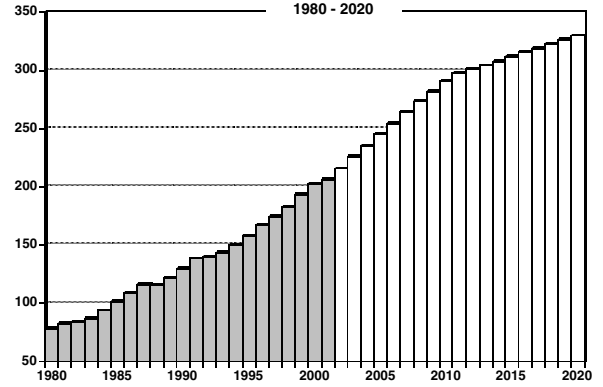
1980 - 2020



thousands of  
jobs

### Employment in Services

1980 - 2020



# Sacramento County Economic Forecast

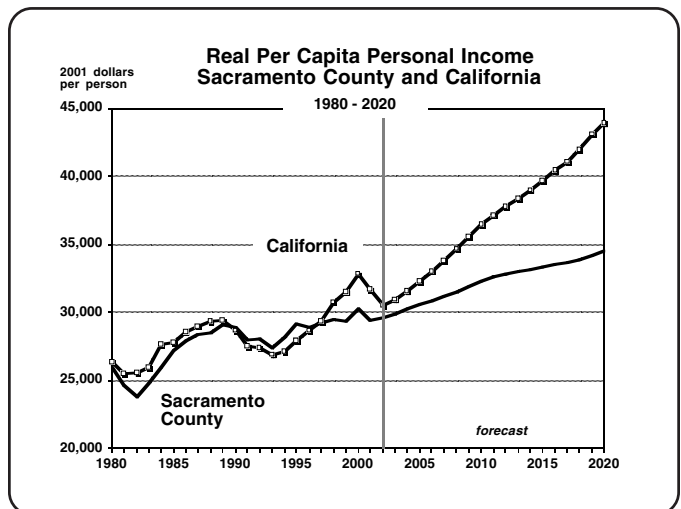
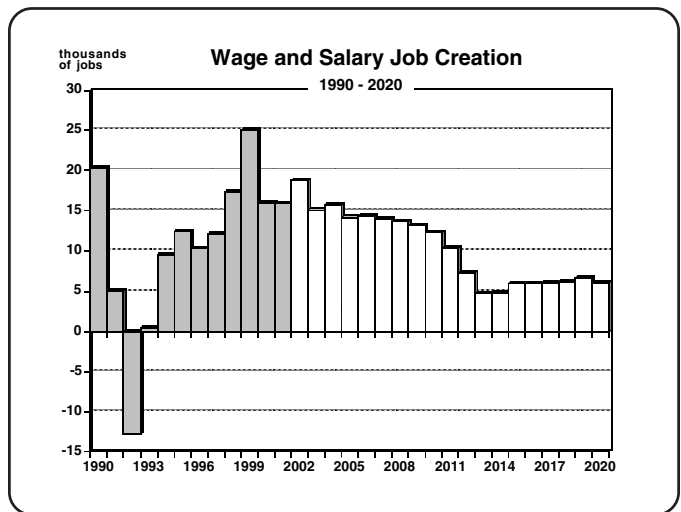
Labor market conditions in Sacramento have steadily improved over the last five years. The county is emerging as a technology center for electronic information processing industries, as many large employers and numerous small firms have chosen Sacramento County as their home. Recently, the private sector established a few, large “data warehouses” into the area. These are high security, somewhat low profile facilities that lease data storage space, provide computer servers, and handle other data processing services.

Between 1995 and 2000, 81,000 jobs were added to total wage and salary employment in Sacramento County, representing a cumulative growth of 17 percent. In 2001, the county recorded an increase of 16,000 jobs. The Government sector added 4,500 jobs, and construction increased by 4,000 jobs. Services and retail trade contributed 2,500 jobs each.

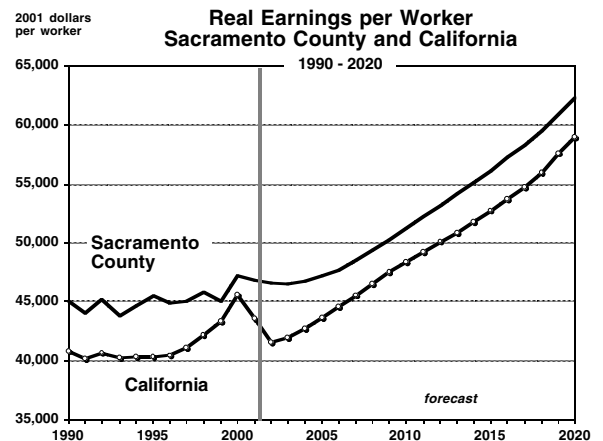
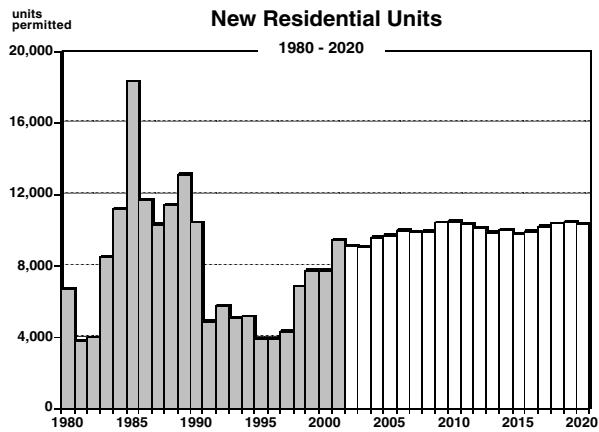
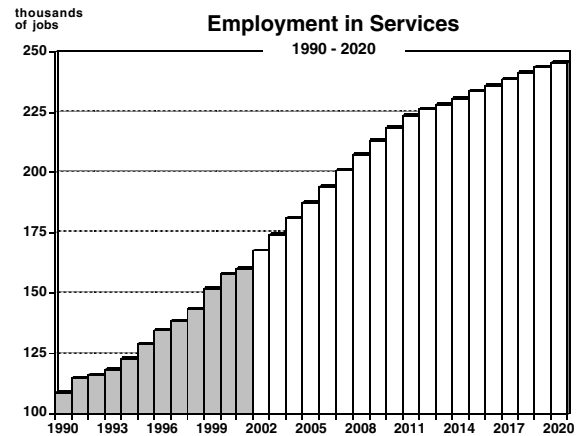
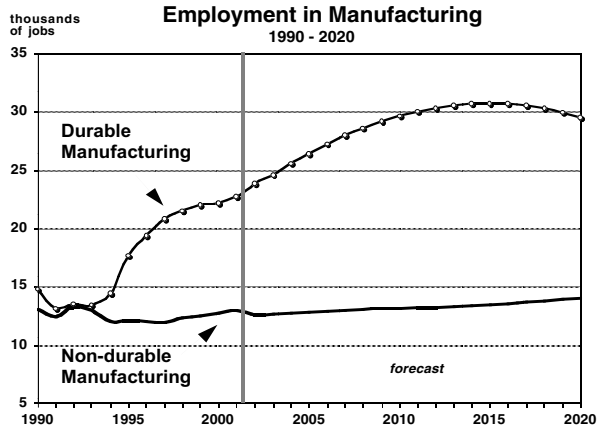
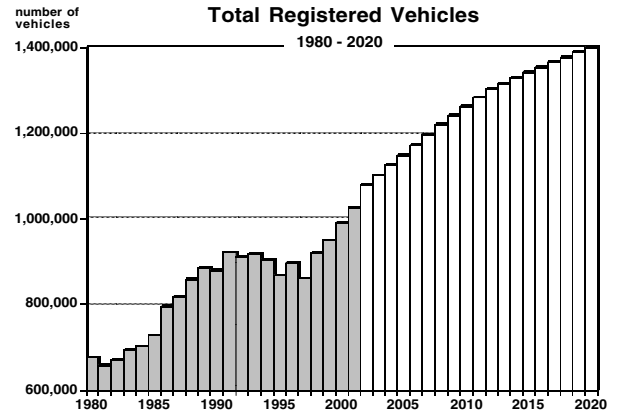
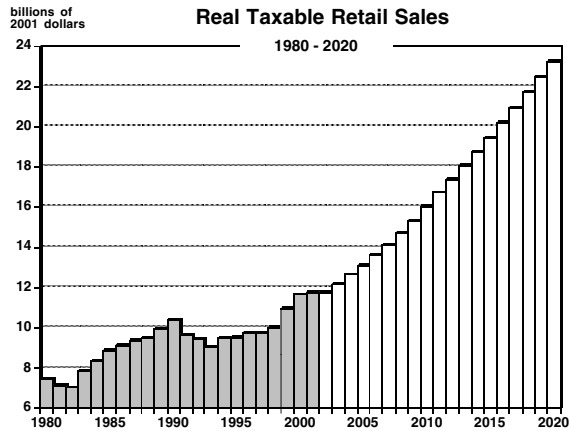
Sacramento, the state’s capital and the largest city in the county, recorded a population of 418,700 in 2001, an increase of 1.8 percent over 2000, and 10 percent greater than the population 10 years earlier.

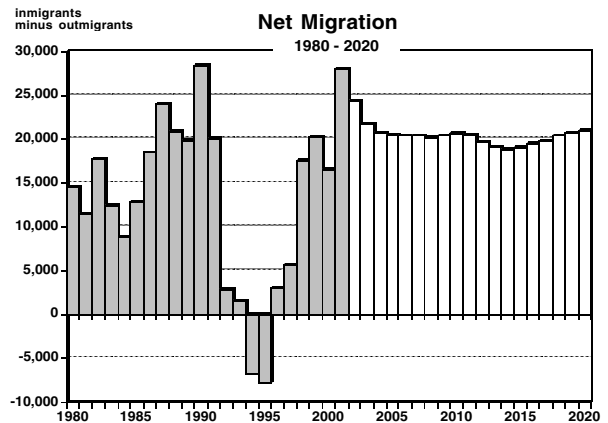
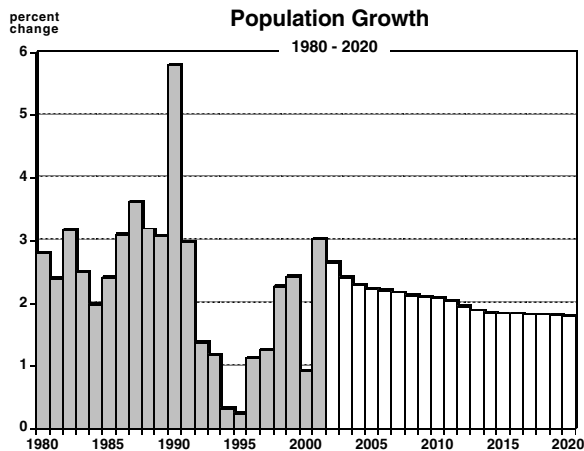
## Forecast Highlights

- The County will create about 19,000 jobs in 2002. However, job growth over the next 5 years softens, averaging 2.4 percent per year. This compares to the 3.1 percent growth in employment that prevailed during the 1995 to 2000 period.
- Manufacturing, construction, and services will be the principal sectors of job creation in Sacramento County. The manufacturing sector is forecast to grow jobs at an annual rate of 3.2 percent per year. Employment in the services sector grows at a compound annual rate of growth of 3.7 percent between 2002 and 2007. Jobs in the public sector rise at a 1.3 percent rate of growth.
- Salaries per worker averaged \$46,850 in 2001. Salaries are forecast to rise at an average compound rate of growth of 1 percent per year between 2002 and 2007. This rate of increase is slightly faster than the average 0.7 percent per year increase recorded between 1995 and 2000. Real per capita incomes are also forecast to rise one percent per year between 2002 and 2007.



- Inflation adjusted retail sales rise 3.7 percent per year between 2002 and 2007. The forecast rate of growth is a slight decline from the average annual 4.2 percent rate of increase recorded between 1995 and 2000.
- Home building remains strong in the County, averaging 9,500 home permits per year. More home building accommodates an increase in population growth over the forecast horizon. Population rises an average of 2.3 percent per year between 2002 and 2007. Migration remains high but gradually slows down, to approximately 20,000 migrants per year. The natural increase in population accelerates.





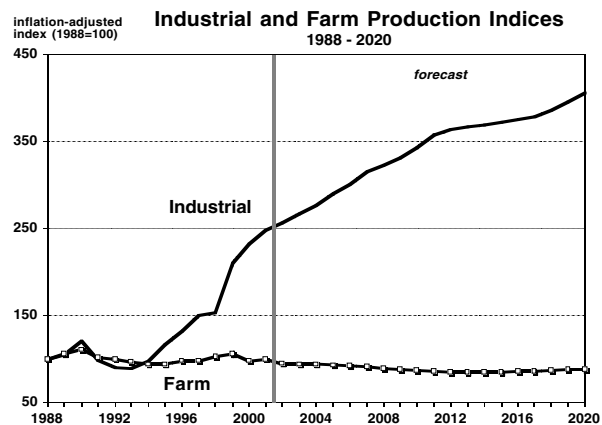
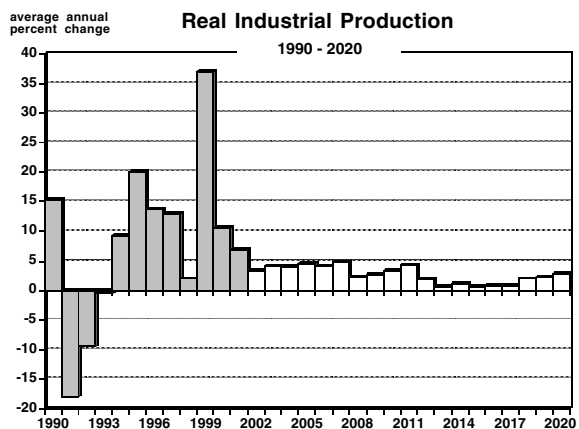
## Sacramento County Economic Forecast

### 1995-2001 History, 2002-2020 Forecast

|      | Population<br>(people) | Net<br>Migration<br>(people) | Registered<br>Vehicles<br>(number) | Households<br>(thousands) | New Homes<br>Permitted<br>(homes) | Retail<br>Sales<br>(billions) | Personal<br>Income<br>(billions) | Real Per<br>Capita<br>Income<br>(dollars) | Farm<br>Crop<br>Value<br>(millions) | Industrial<br>Production<br>(billions) |
|------|------------------------|------------------------------|------------------------------------|---------------------------|-----------------------------------|-------------------------------|----------------------------------|---|-------------------------------------|--|
| 1995 | 1,137,000              | -7,734                       | 868,669                            | 423.9                     | 3,863                             | \$8.3                         | \$28.9                           | \$29,147                                  | \$251.5                             | \$10.0                                 |
| 1996 | 1,149,700              | 3,019                        | 897,848                            | 427.4                     | 3,870                             | \$8.6                         | \$29.5                           | \$28,951                                  | \$266.0                             | \$11.3                                 |
| 1997 | 1,164,200              | 5,584                        | 860,795                            | 430.5                     | 4,339                             | \$8.8                         | \$30.7                           | \$29,252                                  | \$270.9                             | \$12.8                                 |
| 1998 | 1,190,700              | 17,516                       | 919,373                            | 434.3                     | 6,842                             | \$9.2                         | \$32.1                           | \$29,475                                  | \$289.4                             | \$13.1                                 |
| 1999 | 1,219,500              | 20,148                       | 948,829                            | 438.7                     | 7,743                             | \$10.2                        | \$33.6                           | \$29,392                                  | \$303.0                             | \$17.9                                 |
| 2000 | 1,230,600              | 16,550                       | 991,020                            | 452.1                     | 7,750                             | \$11.3                        | \$36.0                           | \$30,246                                  | \$291.0                             | \$19.8                                 |
| 2001 | 1,267,800              | 27,971                       | 1,024,721                          | 459.0                     | 9,434                             | \$11.8                        | \$37.3                           | \$29,402                                  | \$305.9                             | \$21.2                                 |
| 2002 | 1,301,430              | 24,275                       | 1,079,519                          | 474.2                     | 9,095                             | \$12.2                        | \$39.8                           | \$29,640                                  | \$299.9                             | \$21.9                                 |
| 2003 | 1,332,738              | 21,721                       | 1,101,860                          | 484.5                     | 9,059                             | \$12.8                        | \$42.0                           | \$29,871                                  | \$305.1                             | \$22.8                                 |
| 2004 | 1,363,278              | 20,723                       | 1,125,375                          | 494.7                     | 9,550                             | \$13.6                        | \$44.5                           | \$30,256                                  | \$309.6                             | \$23.6                                 |
| 2005 | 1,393,713              | 20,378                       | 1,148,872                          | 504.9                     | 9,718                             | \$14.5                        | \$47.1                           | \$30,571                                  | \$314.7                             | \$24.7                                 |
| 2006 | 1,424,341              | 20,343                       | 1,172,476                          | 515.2                     | 9,992                             | \$15.4                        | \$49.8                           | \$30,862                                  | \$318.5                             | \$25.7                                 |
| 2007 | 1,455,133              | 20,329                       | 1,195,810                          | 525.7                     | 9,919                             | \$16.3                        | \$52.5                           | \$31,173                                  | \$321.8                             | \$26.9                                 |
| 2008 | 1,485,855              | 20,112                       | 1,218,731                          | 536.0                     | 9,952                             | \$17.4                        | \$55.5                           | \$31,522                                  | \$324.9                             | \$27.5                                 |
| 2009 | 1,516,928              | 20,315                       | 1,241,419                          | 546.4                     | 10,416                            | \$18.6                        | \$58.6                           | \$31,890                                  | \$327.7                             | \$28.3                                 |
| 2010 | 1,548,473              | 20,651                       | 1,263,485                          | 556.9                     | 10,492                            | \$19.8                        | \$62.0                           | \$32,272                                  | \$331.2                             | \$29.2                                 |
| 2011 | 1,579,961              | 20,450                       | 1,284,051                          | 567.6                     | 10,328                            | \$21.3                        | \$65.5                           | \$32,615                                  | \$334.6                             | \$30.5                                 |
| 2012 | 1,610,800              | 19,648                       | 1,301,782                          | 578.3                     | 10,131                            | \$22.7                        | \$69.0                           | \$32,846                                  | \$341.6                             | \$31.0                                 |
| 2013 | 1,641,201              | 19,076                       | 1,316,288                          | 588.7                     | 9,903                             | \$24.1                        | \$72.5                           | \$33,013                                  | \$348.8                             | \$31.2                                 |
| 2014 | 1,671,434              | 18,794                       | 1,328,880                          | 599.1                     | 10,027                            | \$25.7                        | \$76.0                           | \$33,168                                  | \$356.5                             | \$31.6                                 |
| 2015 | 1,701,988              | 19,017                       | 1,341,077                          | 609.5                     | 9,795                             | \$27.2                        | \$79.6                           | \$33,346                                  | \$365.8                             | \$31.8                                 |
| 2016 | 1,733,113              | 19,523                       | 1,353,070                          | 619.9                     | 9,959                             | \$29.0                        | \$83.5                           | \$33,524                                  | \$377.2                             | \$32.0                                 |
| 2017 | 1,764,551              | 19,766                       | 1,365,198                          | 630.4                     | 10,195                            | \$30.9                        | \$87.7                           | \$33,675                                  | \$390.8                             | \$32.3                                 |
| 2018 | 1,796,622              | 20,349                       | 1,377,360                          | 641.2                     | 10,372                            | \$32.8                        | \$92.1                           | \$33,885                                  | \$403.8                             | \$32.9                                 |
| 2019 | 1,829,080              | 20,715                       | 1,389,767                          | 652.2                     | 10,446                            | \$34.8                        | \$96.8                           | \$34,188                                  | \$416.3                             | \$33.7                                 |
| 2020 | 1,861,746              | 20,945                       | 1,401,875                          | 663.3                     | 10,345                            | \$36.8                        | \$101.7                          | \$34,495                                  | \$427.9                             | \$34.7                                 |

- The median home selling price was \$174,603 in 2001. The average rate of inflation-adjusted price appreciation recorded between 1995 and 2000 was 3.8 percent per year. That rate is forecast to slow to 2.0 percent per year between 2002 and 2007. In the year 2007, a nominal (current dollar) median housing price of \$254,000 is forecast.





| Total Wage & Salary (000)   | Farm (000) | Mining & Construction (000) | Manufacturing (000) | Transportation, Utilities (000) | Wholesale, Retail Trade (000) | Finance, Real Estate (000) | Services (000) | Government (000) |
|-----------------------------|------------|-----------------------------|---------------------|---------------------------------|-------------------------------|----------------------------|----------------|------------------|
| -----employment (jobs)----- |            |                             |                     |                                 |                               |                            |                |                  |
| 482.0                       | 2.9        | 20.2                        | 29.8                | 20.3                            | 101.3                         | 33.5                       | 128.9          | 145.1            |
| 492.3                       | 2.9        | 21.5                        | 31.4                | 20.2                            | 102.5                         | 33.9                       | 134.7          | 145.1            |
| 504.3                       | 3.0        | 23.7                        | 32.8                | 19.8                            | 103.9                         | 36.3                       | 138.6          | 146.3            |
| 521.6                       | 3.0        | 26.1                        | 33.9                | 21.0                            | 105.8                         | 40.7                       | 143.5          | 147.6            |
| 546.6                       | 3.2        | 30.3                        | 34.6                | 21.9                            | 108.9                         | 42.6                       | 152.0          | 152.9            |
| 562.7                       | 3.3        | 33.1                        | 35.0                | 22.2                            | 114.9                         | 40.3                       | 157.8          | 156.2            |
| 578.5                       | 3.6        | 36.9                        | 35.7                | 22.6                            | 117.3                         | 41.2                       | 160.3          | 160.7            |
| 597.3                       | 3.5        | 38.2                        | 36.5                | 23.3                            | 120.6                         | 45.5                       | 167.6          | 162.2            |
| 612.4                       | 3.4        | 39.3                        | 37.3                | 23.8                            | 123.3                         | 46.9                       | 174.1          | 164.3            |
| 628.1                       | 3.3        | 40.0                        | 38.3                | 24.4                            | 125.8                         | 48.5                       | 181.0          | 166.7            |
| 642.3                       | 3.2        | 40.5                        | 39.3                | 24.9                            | 128.2                         | 49.6                       | 187.6          | 168.9            |
| 656.7                       | 3.2        | 41.0                        | 40.1                | 25.3                            | 130.6                         | 50.9                       | 194.4          | 171.1            |
| 670.8                       | 3.1        | 41.8                        | 40.9                | 25.7                            | 133.0                         | 52.0                       | 200.8          | 173.3            |
| 684.5                       | 3.1        | 42.2                        | 41.6                | 26.1                            | 135.4                         | 53.2                       | 207.3          | 175.6            |
| 697.7                       | 3.0        | 42.1                        | 42.3                | 26.5                            | 137.9                         | 54.2                       | 213.3          | 178.4            |
| 710.1                       | 3.0        | 41.7                        | 42.8                | 26.8                            | 140.4                         | 55.1                       | 218.9          | 181.3            |
| 720.5                       | 3.0        | 41.2                        | 43.3                | 26.9                            | 143.1                         | 55.7                       | 223.7          | 183.7            |
| 727.8                       | 2.9        | 40.9                        | 43.6                | 26.9                            | 145.7                         | 56.0                       | 226.5          | 185.3            |
| 732.6                       | 2.9        | 40.0                        | 43.9                | 26.7                            | 148.3                         | 56.2                       | 228.4          | 186.1            |
| 737.5                       | 2.9        | 39.4                        | 44.1                | 26.8                            | 150.8                         | 56.4                       | 230.7          | 186.3            |
| 743.5                       | 2.9        | 39.1                        | 44.3                | 27.0                            | 153.3                         | 56.7                       | 233.6          | 186.6            |
| 749.4                       | 2.9        | 38.9                        | 44.3                | 27.3                            | 155.8                         | 57.0                       | 236.3          | 187.0            |
| 755.5                       | 2.9        | 38.9                        | 44.3                | 27.6                            | 158.2                         | 57.2                       | 238.9          | 187.5            |
| 761.6                       | 2.9        | 39.0                        | 44.1                | 27.9                            | 160.6                         | 57.4                       | 241.3          | 188.3            |
| 768.2                       | 2.9        | 39.3                        | 43.9                | 28.3                            | 163.0                         | 57.6                       | 243.9          | 189.3            |
| 774.3                       | 2.9        | 39.7                        | 43.5                | 28.6                            | 165.4                         | 57.6                       | 245.9          | 190.6            |

# El Dorado County Economic Forecast

Considered one of the most diversified recreational areas in California, the El Dorado National Forest is one of the most heavily used wilderness areas in the nation. The Sierra Nevada Mountains, the north fork of the American River, and Lake Tahoe are just some of the county's natural attractions. Not surprisingly, the county economy is heavily dependent on recreation and tourism.

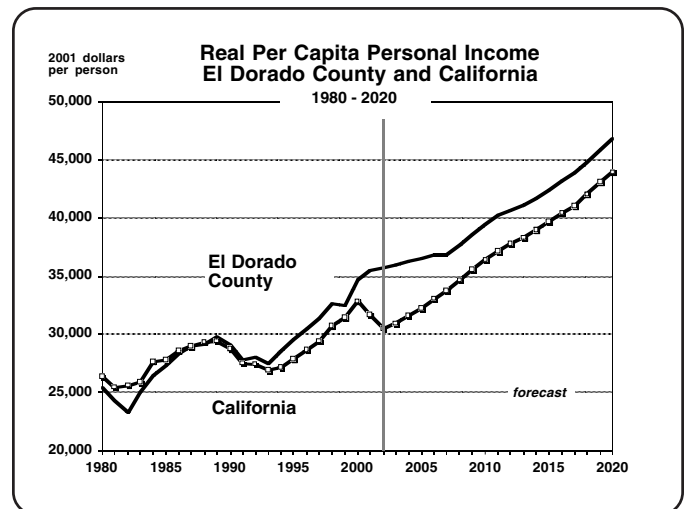
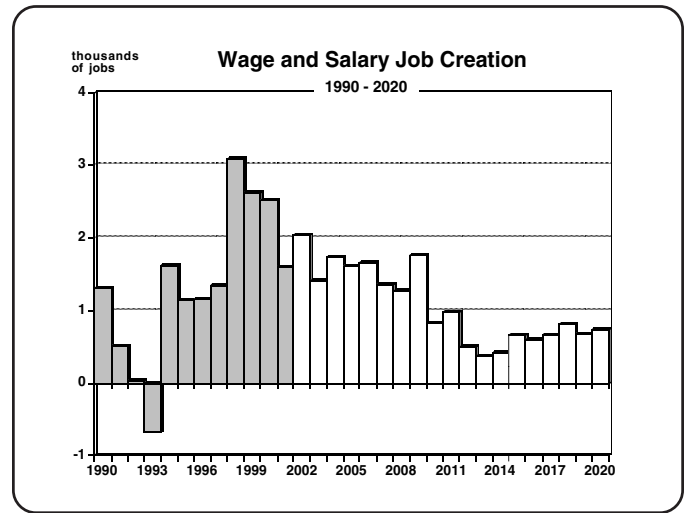
According to 2000 Census data, El Dorado County was the ninth fastest growing county in the state during the 1990s, recording a 24.1 percent increase in population. The addition of more than 30,000 new residents over the ten-year period brought the total population for the county to nearly 160,000 in 2001.

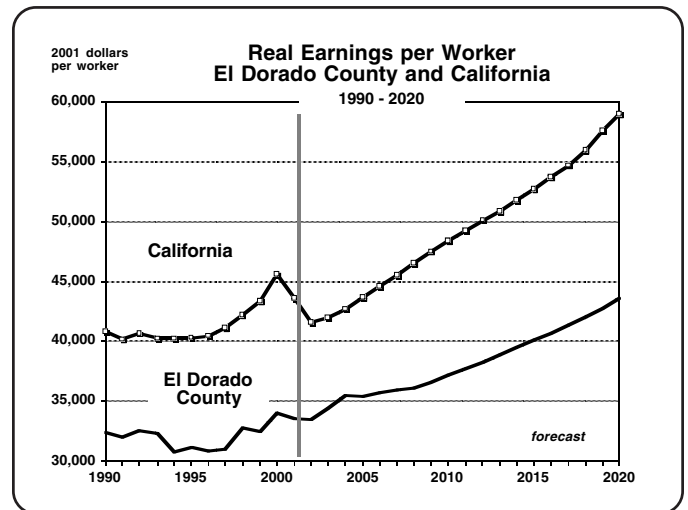
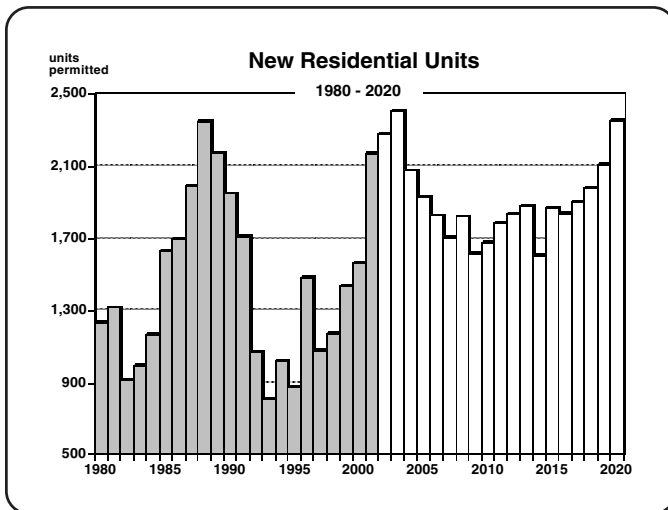
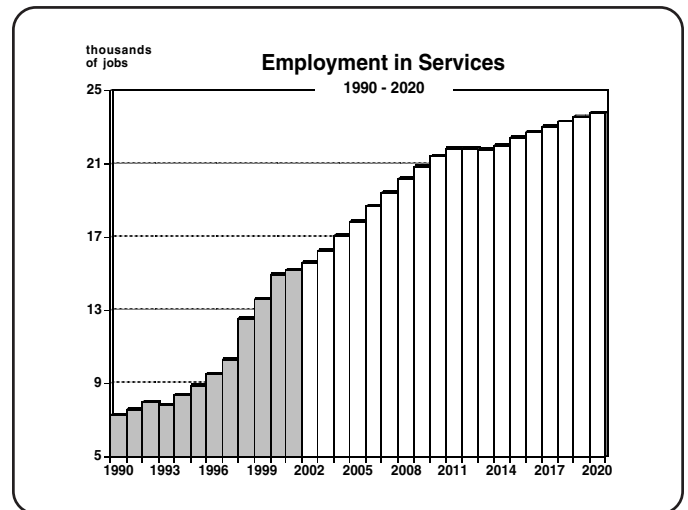
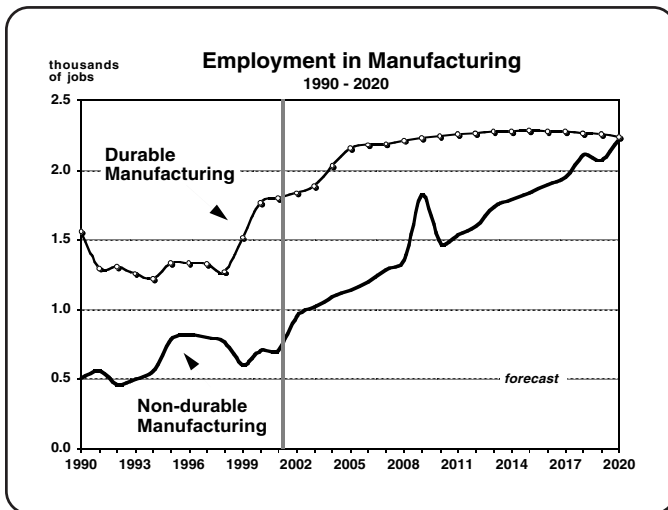
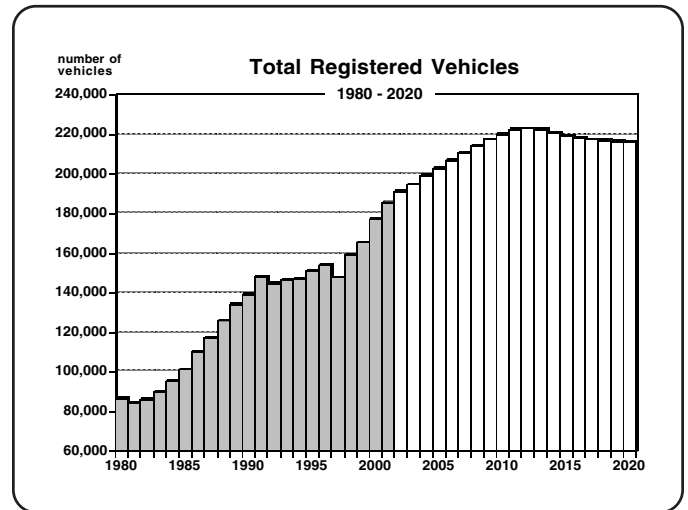
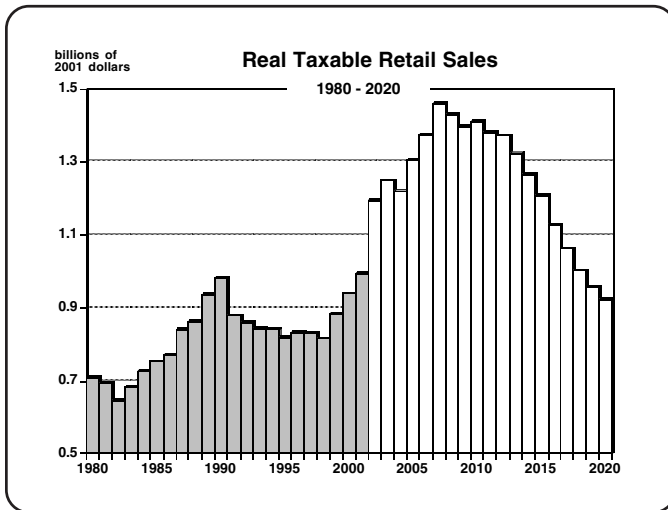
Nearly 80 percent of population increase since 1980 is due to the overall growth of the Sacramento region with the majority of the growth in El Dorado County occurring in the El Dorado Hills/Cameron Park area. As transportation services and housing opportunities increase, this trend is expected to continue.

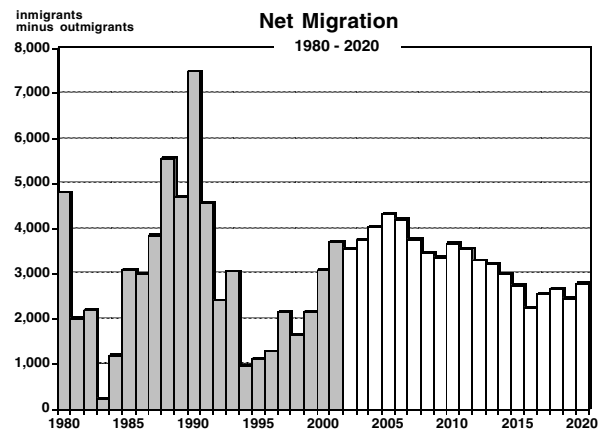
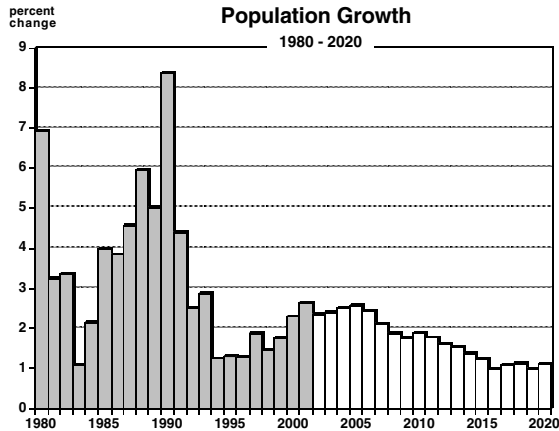
While much of El Dorado is known for recreation and tourism, the western slope of the county is emerging as an information technology center. The combination of healthy labor market conditions and the county's quality of life are attracting businesses involved in computer billing, software consulting, and research and development to El Dorado. These trends should continue as growth over the next 5 years is projected in all major industries but especially in manufacturing and the services, including information services.

## Forecast Highlights

- Job growth averages 3.1 percent per year between 2002 and 2007. This year, an estimated 2,000 jobs will be created in El Dorado County.
- The unemployment rate averages 4.8 percent for the year, and declines marginally in 2003 and 2004.
- Employment growth in services averages 4.5 percent per year between 2002 and 2007. Most of the jobs created in the County will be in the services sector, including professional services and personal services. Older age populations will demand more services in healthcare.
- Population growth accelerates over the next 5 years. More housing and employment opportunities in the region provide an avenue for growth. Compound annual growth in the 2002 to 2007 period averages 2.4 percent per year, from 1.8 percent between 1995 and 2000.
- Real per capita incomes rise at an annual compound rate of 3.7 percent, over the next 5 years. Real (inflation-adjusted) salaries in the County average \$33,533 in 2002. They are forecast to rise at an annual compound rate of 1.4 percent between 2002 and 2007.





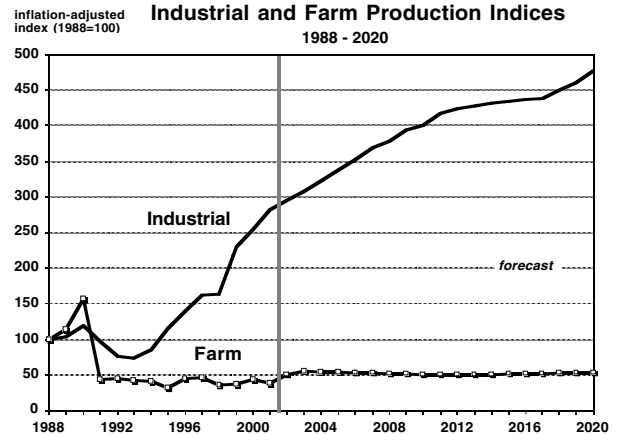
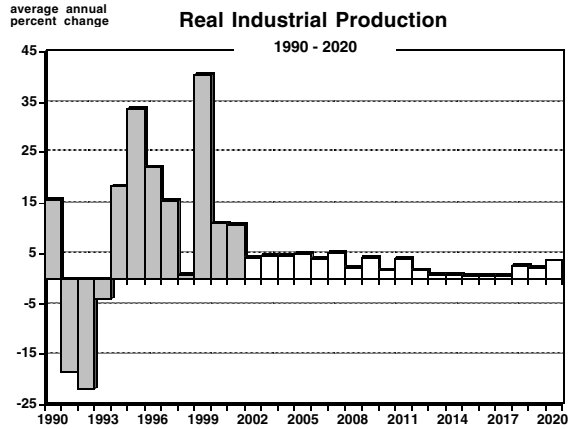


## El Dorado County Economic Forecast

### 1995-2001 History, 2002-2020 Forecast

|      | Population<br>(people) | Net<br>Migration<br>(people) | Registered<br>Vehicles<br>(number) | Households<br>(thousands) | New Homes<br>Permitted<br>(homes) | Retail<br>Sales<br>(billions) | Personal<br>Income<br>(billions) | Real Per<br>Capita<br>Income<br>(dollars) | Farm<br>Crop<br>Value<br>(millions) | Industrial<br>Production<br>(billions) |
|------|------------------------|------------------------------|------------------------------------|---------------------------|-----------------------------------|-------------------------------|----------------------------------|---|-------------------------------------|--|
| 1995 | 146,500                | 1,116                        | 151,069                            | 52.0                      | 880                               | \$0.7                         | \$3.5                            | \$29,550                                  | \$15.0                              | \$0.8                                  |
| 1996 | 148,400                | 1,272                        | 154,072                            | 52.8                      | 1,486                             | \$0.7                         | \$3.7                            | \$30,499                                  | \$21.6                              | \$1.0                                  |
| 1997 | 151,200                | 2,138                        | 148,121                            | 53.6                      | 1,079                             | \$0.7                         | \$4.0                            | \$31,421                                  | \$23.2                              | \$1.2                                  |
| 1998 | 153,400                | 1,638                        | 159,235                            | 54.7                      | 1,172                             | \$0.7                         | \$4.4                            | \$32,609                                  | \$18.7                              | \$1.2                                  |
| 1999 | 156,100                | 2,144                        | 165,774                            | 55.6                      | 1,435                             | \$0.8                         | \$4.6                            | \$32,418                                  | \$19.7                              | \$1.7                                  |
| 2000 | 159,700                | 3,078                        | 177,465                            | 58.8                      | 1,562                             | \$0.9                         | \$5.6                            | \$34,770                                  | \$24.2                              | \$1.8                                  |
| 2001 | 163,900                | 656                          | 185,721                            | 59.8                      | 2,174                             | \$1.0                         | \$5.8                            | \$35,488                                  | \$22.4                              | \$2.0                                  |
| 2002 | 167,776                | 3,542                        | 190,993                            | 61.5                      | 2,278                             | \$1.2                         | \$6.2                            | \$35,743                                  | \$31.4                              | \$2.1                                  |
| 2003 | 171,817                | 3,754                        | 194,783                            | 63.3                      | 2,411                             | \$1.3                         | \$6.5                            | \$35,920                                  | \$34.8                              | \$2.2                                  |
| 2004 | 176,114                | 4,045                        | 199,027                            | 65.2                      | 2,079                             | \$1.3                         | \$6.9                            | \$36,240                                  | \$35.3                              | \$2.3                                  |
| 2005 | 180,657                | 4,320                        | 203,108                            | 66.9                      | 1,927                             | \$1.5                         | \$7.3                            | \$36,590                                  | \$36.1                              | \$2.4                                  |
| 2006 | 185,056                | 4,210                        | 207,103                            | 68.5                      | 1,830                             | \$1.6                         | \$7.8                            | \$36,880                                  | \$36.6                              | \$2.5                                  |
| 2007 | 188,969                | 3,765                        | 210,836                            | 69.9                      | 1,710                             | \$1.7                         | \$8.3                            | \$36,838                                  | \$37.2                              | \$2.7                                  |
| 2008 | 192,525                | 3,450                        | 214,260                            | 71.3                      | 1,826                             | \$1.7                         | \$8.9                            | \$37,694                                  | \$37.8                              | \$2.7                                  |
| 2009 | 195,947                | 3,359                        | 217,487                            | 72.7                      | 1,617                             | \$1.8                         | \$9.5                            | \$38,592                                  | \$38.4                              | \$2.9                                  |
| 2010 | 199,645                | 3,675                        | 220,342                            | 74.0                      | 1,675                             | \$1.8                         | \$10.2                           | \$39,460                                  | \$39.1                              | \$2.9                                  |
| 2011 | 203,202                | 3,554                        | 222,423                            | 75.4                      | 1,785                             | \$1.8                         | \$10.8                           | \$40,194                                  | \$39.7                              | \$3.0                                  |
| 2012 | 206,474                | 3,300                        | 223,132                            | 76.8                      | 1,840                             | \$1.9                         | \$11.5                           | \$40,668                                  | \$41.4                              | \$3.1                                  |
| 2013 | 209,639                | 3,221                        | 222,377                            | 78.3                      | 1,879                             | \$1.9                         | \$12.2                           | \$41,114                                  | \$42.5                              | \$3.1                                  |
| 2014 | 212,538                | 2,985                        | 220,906                            | 79.8                      | 1,608                             | \$1.8                         | \$12.9                           | \$41,670                                  | \$43.9                              | \$3.1                                  |
| 2015 | 215,164                | 2,745                        | 219,516                            | 81.1                      | 1,869                             | \$1.8                         | \$13.6                           | \$42,381                                  | \$45.5                              | \$3.1                                  |
| 2016 | 217,262                | 2,255                        | 218,288                            | 82.6                      | 1,841                             | \$1.7                         | \$14.4                           | \$43,178                                  | \$47.4                              | \$3.2                                  |
| 2017 | 219,622                | 2,545                        | 217,371                            | 84.0                      | 1,903                             | \$1.7                         | \$15.3                           | \$43,840                                  | \$49.4                              | \$3.2                                  |
| 2018 | 222,065                | 2,671                        | 216,686                            | 85.6                      | 1,982                             | \$1.6                         | \$16.2                           | \$44,726                                  | \$51.1                              | \$3.3                                  |
| 2019 | 224,253                | 2,455                        | 216,317                            | 87.1                      | 2,109                             | \$1.6                         | \$17.3                           | \$45,866                                  | \$52.8                              | \$3.3                                  |
| 2020 | 226,725                | 2,789                        | 215,968                            | 88.8                      | 2,356                             | \$1.6                         | \$18.4                           | \$46,812                                  | \$54.4                              | \$3.5                                  |

- The median home selling price in El Dorado County was \$232,750 in 2001. Over the forecast horizon, the median price rises an average of 2.4 percent per year, adjusted for inflation. This is a moderate decline from the 5.8 percent average real appreciation per year between 1995 and 2000.



| Total<br>Wage & Salary<br>(000) | Farm<br>(000) | Mining &<br>Construction<br>(000) | Manufacturing<br>(000) | Transportation,<br>Utilities<br>(000) | Wholesale,<br>Retail<br>Trade<br>(000) | Finance,<br>Real<br>Estate<br>(000) | Services<br>(000) | Government<br>(000) |
|---------------------------------|---------------|-----------------------------------|------------------------|---------------------------------------|--|-------------------------------------|-------------------|---------------------|
| -----employment (jobs)-----     |               |                                   |                        |                                       |  |                                     |                   |                     |
| 33.4                            | 0.342         | 2.3                               | 2.1                    | 1.1                                   | 9.3                                    | 1.5                                 | 8.9               | 7.9                 |
| 34.6                            | 0.392         | 2.6                               | 2.2                    | 1.1                                   | 9.2                                    | 1.4                                 | 9.5               | 8.2                 |
| 35.9                            | 0.383         | 2.7                               | 2.1                    | 1.2                                   | 9.3                                    | 1.4                                 | 10.4              | 8.4                 |
| 39.0                            | 0.308         | 3.1                               | 2.0                    | 1.3                                   | 9.6                                    | 1.6                                 | 12.6              | 8.5                 |
| 41.6                            | 0.342         | 3.5                               | 2.1                    | 1.3                                   | 10.2                                   | 1.6                                 | 13.6              | 8.9                 |
| 44.1                            | 0.350         | 3.8                               | 2.5                    | 1.2                                   | 10.8                                   | 1.6                                 | 15.0              | 9.0                 |
| 45.7                            | 0.383         | 4.4                               | 2.5                    | 1.2                                   | 11.1                                   | 1.6                                 | 15.2              | 9.3                 |
| 47.7                            | 0.234         | 4.5                               | 2.8                    | 1.3                                   | 11.5                                   | 1.6                                 | 15.6              | 9.5                 |
| 49.1                            | 0.268         | 4.6                               | 2.9                    | 1.4                                   | 11.7                                   | 1.6                                 | 16.3              | 9.7                 |
| 50.9                            | 0.348         | 4.7                               | 3.1                    | 1.4                                   | 11.9                                   | 1.7                                 | 17.1              | 10.0                |
| 52.5                            | 0.489         | 4.8                               | 3.3                    | 1.5                                   | 12.0                                   | 1.7                                 | 17.8              | 10.2                |
| 54.1                            | 0.672         | 4.9                               | 3.4                    | 1.5                                   | 12.2                                   | 1.7                                 | 18.7              | 10.5                |
| 55.5                            | 0.617         | 5.0                               | 3.5                    | 1.5                                   | 12.4                                   | 1.7                                 | 19.4              | 10.7                |
| 56.8                            | 0.482         | 5.0                               | 3.6                    | 1.6                                   | 12.6                                   | 1.7                                 | 20.2              | 11.0                |
| 58.5                            | 0.549         | 5.0                               | 4.0                    | 1.6                                   | 12.9                                   | 1.7                                 | 20.8              | 11.3                |
| 59.3                            | 0.592         | 4.9                               | 3.7                    | 1.6                                   | 13.1                                   | 1.7                                 | 21.4              | 11.6                |
| 60.3                            | 0.641         | 4.9                               | 3.8                    | 1.6                                   | 13.3                                   | 1.7                                 | 21.8              | 11.8                |
| 60.8                            | 0.717         | 4.8                               | 3.9                    | 1.6                                   | 13.5                                   | 1.8                                 | 21.8              | 12.0                |
| 61.2                            | 0.784         | 4.7                               | 4.0                    | 1.6                                   | 13.8                                   | 1.8                                 | 21.8              | 12.1                |
| 61.6                            | 0.771         | 4.6                               | 4.1                    | 1.6                                   | 14.0                                   | 1.8                                 | 22.0              | 12.1                |
| 62.3                            | 0.758         | 4.6                               | 4.1                    | 1.6                                   | 14.2                                   | 1.8                                 | 22.4              | 12.2                |
| 62.9                            | 0.756         | 4.6                               | 4.2                    | 1.6                                   | 14.4                                   | 1.8                                 | 22.7              | 12.2                |
| 63.5                            | 0.783         | 4.6                               | 4.2                    | 1.7                                   | 14.6                                   | 1.8                                 | 23.0              | 12.3                |
| 64.3                            | 0.845         | 4.6                               | 4.4                    | 1.7                                   | 14.8                                   | 1.8                                 | 23.3              | 12.3                |
| 65.0                            | 0.882         | 4.6                               | 4.3                    | 1.7                                   | 15.0                                   | 1.8                                 | 23.6              | 12.5                |
| 65.8                            | 0.900         | 4.7                               | 4.5                    | 1.7                                   | 15.2                                   | 1.8                                 | 23.8              | 12.6                |

# Placer County Economic Forecast

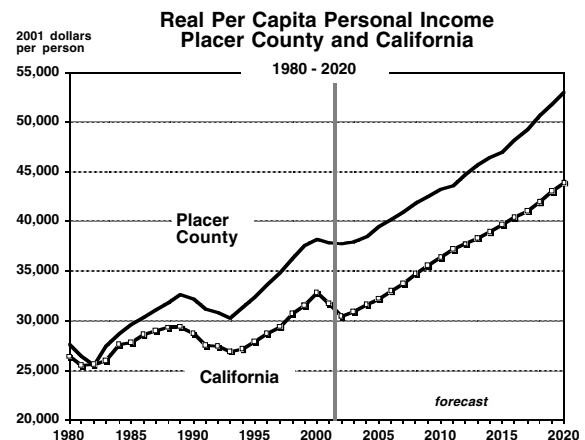
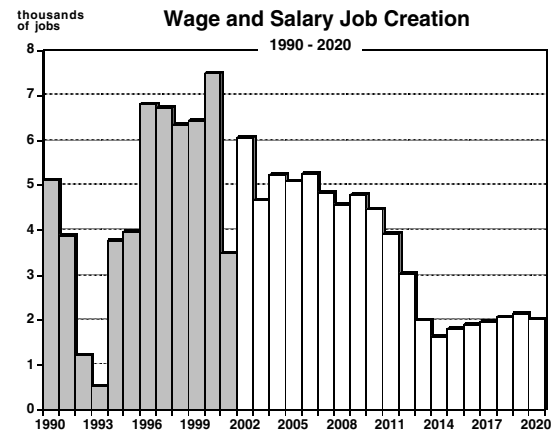
Placer County, one of California's fastest growing counties, is characterized by high incomes and a technology-based economy. The attractions of the region, including comparatively affordable land and housing, as well as a superior quality of life, ushered in a decade of unprecedented expansion.

The 2000 Census had Placer County's population at 248,400, an increase over the 1990 Census of 44 percent or 75,600 residents. Placer is the state's fastest growing county, with the south Placer cities of Rocklin, Roseville, and Lincoln expanding most rapidly. All three recorded growth of at least 50 percent, with Rocklin leading at 91 percent growth. Population projections estimate the county will be home to more than 363,000 by the year 2010, an increase of 41 percent over the July 2001 population of 261,500.

The south Placer County area is emerging as an important information technology center in the greater Sacramento region. Large computer components manufacturing as well as other smaller firms and related businesses have moved into the region, many of them companies that are relocating or expanding from the Bay Area. Technology industry employers are attracted to Placer County's quality of life, cost of housing, and recreational opportunities.

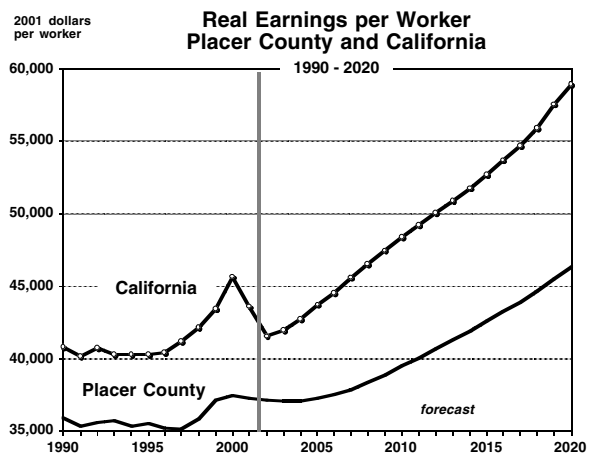
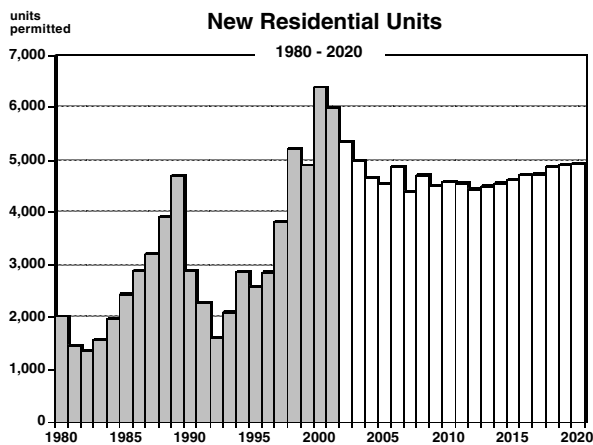
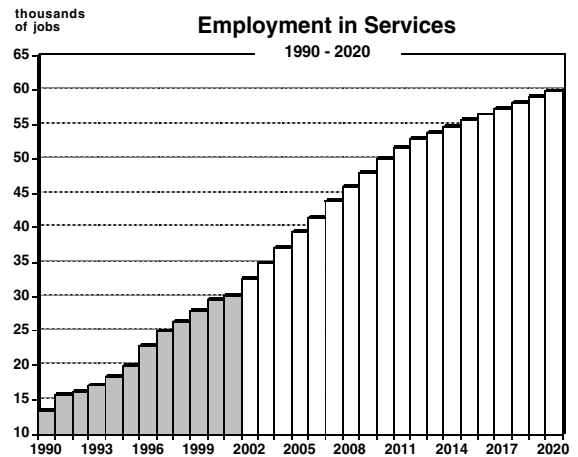
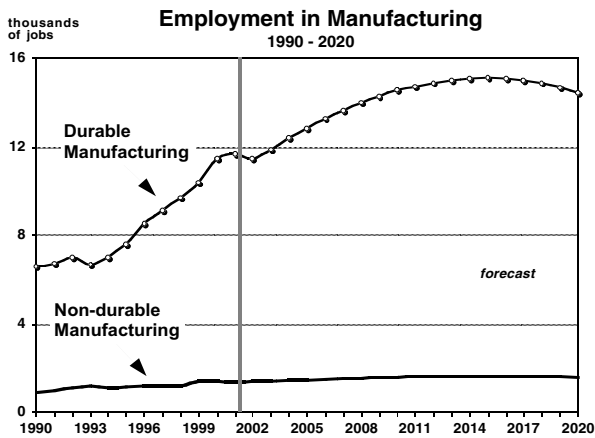
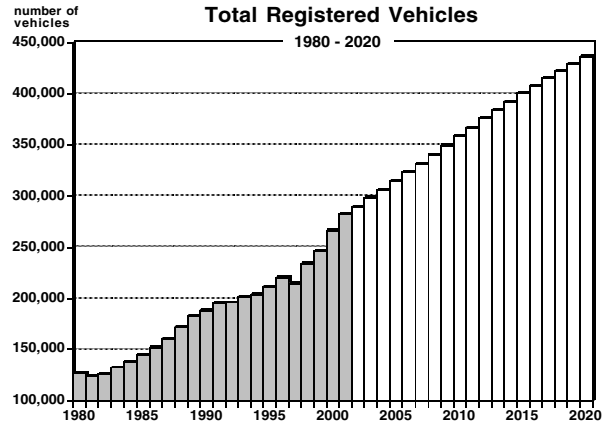
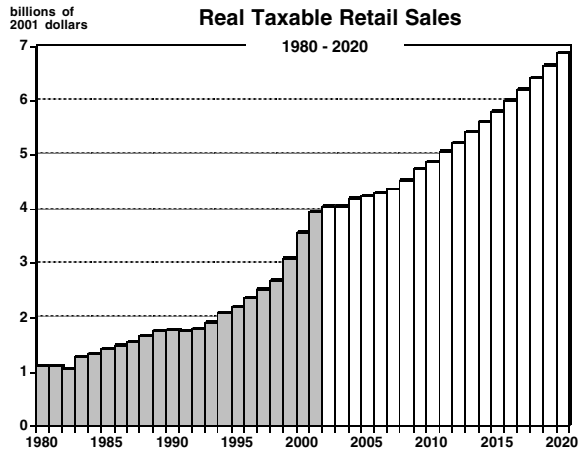
Employment in the retail trade sector jumped 34 percent between 1995 and 2000. Retailers are generally attracted to the south Placer area because of its strategic location in one of the state's fastest population growth areas and the rapid increase of high wage jobs in the region, particularly those in information technology and related fields.

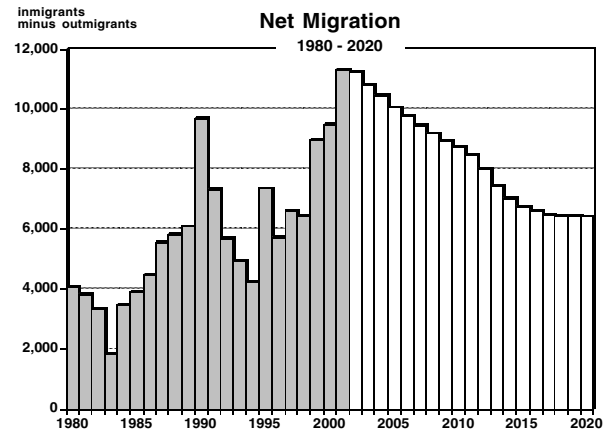
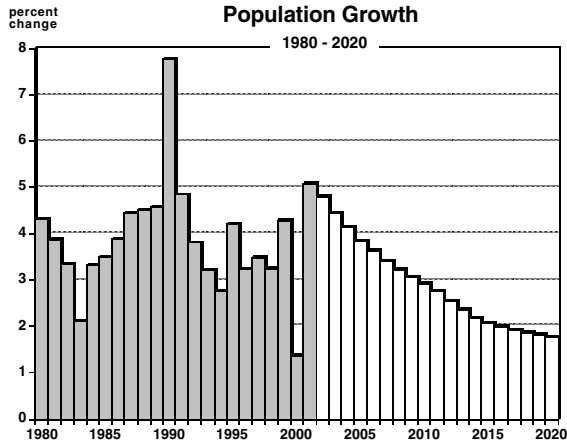
The region's rapidly growing manufacturing sector is a source of pride for the County. Manufacturing currently provides 12 percent of non-farm employment in Placer County. Manufacturing employment in Placer County has increased from 7,500 in 1990 to 13,000 in 2001. Most of this growth is due to expansion in manufacturing of electronic equipment. The largest manufacturing employment category, electronic equipment, employs 60 percent of the sector. The rapidly expanding size of this sector is due partially to the presence of Hewlett-Packard and NEC. Employment in these sectors increased every year during the 1990-2000 period, including years in which the electronics industry elsewhere declined.



## Forecast Highlights

- An estimated 3,500 jobs are created in Placer County in 2002. Job growth remains firm over the next 5 years, rising at an annual compound rate of 3.9 percent.
- The unemployment rate averages between 4.8 and 5.0 percent per year for the next 5 years.





## Placer County Economic Forecast

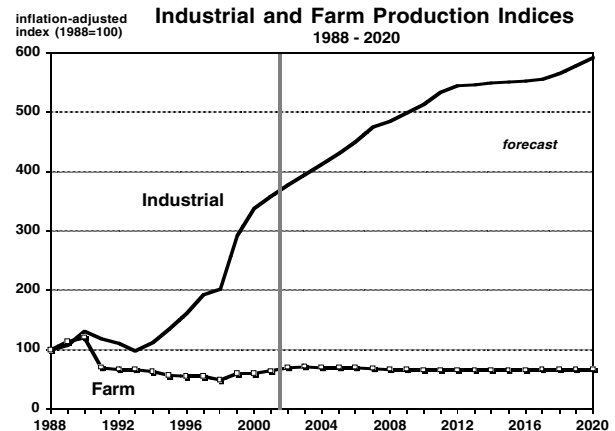
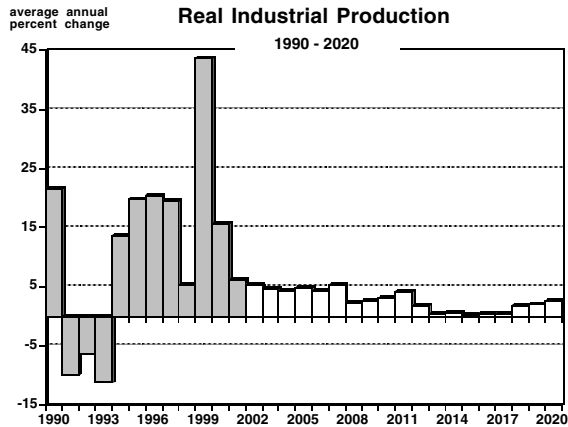
### 1995-2001 History, 2002-2020 Forecast

|      | Population<br>(people) | Net<br>Migration<br>(people) | Registered<br>Vehicles<br>(number) | Households<br>(thousands) | New Homes<br>Permitted<br>(homes) | Retail<br>Sales<br>(billions) | Personal<br>Income<br>(billions) | Real Per<br>Capita<br>Income<br>(dollars) | Farm<br>Crop<br>Value<br>(millions) | Industrial<br>Production<br>(billions) |
|------|------------------------|------------------------------|------------------------------------|---------------------------|-----------------------------------|-------------------------------|----------------------------------|---|-------------------------------------|--|
| 1995 | 213,400                | 7,354                        | 212,023                            | 74.9                      | 2,574                             | \$1.9                         | \$6.0                            | \$32,445                                  | \$52.9                              | \$2.4                                  |
| 1996 | 220,300                | 5,710                        | 219,990                            | 77.1                      | 2,847                             | \$2.1                         | \$6.6                            | \$33,624                                  | \$52.1                              | \$2.9                                  |
| 1997 | 228,000                | 6,598                        | 214,709                            | 79.6                      | 3,837                             | \$2.3                         | \$7.2                            | \$34,774                                  | \$53.1                              | \$3.5                                  |
| 1998 | 235,400                | 6,430                        | 233,764                            | 82.1                      | 5,206                             | \$2.5                         | \$7.8                            | \$36,316                                  | \$48.1                              | \$3.7                                  |
| 1999 | 245,500                | 8,977                        | 246,046                            | 85.9                      | 4,896                             | \$2.9                         | \$8.6                            | \$37,558                                  | \$59.9                              | \$5.3                                  |
| 2000 | 248,900                | 9,500                        | 266,478                            | 92.3                      | 6,379                             | \$3.4                         | \$9.2                            | \$38,224                                  | \$61.7                              | \$6.1                                  |
| 2001 | 261,500                | 11,313                       | 282,147                            | 96.8                      | 5,985                             | \$3.9                         | \$9.9                            | \$37,799                                  | \$69.5                              | \$6.5                                  |
| 2002 | 274,043                | 11,245                       | 290,094                            | 101.1                     | 5,355                             | \$4.2                         | \$10.7                           | \$37,711                                  | \$77.1                              | \$6.8                                  |
| 2003 | 286,196                | 10,814                       | 298,178                            | 105.5                     | 4,995                             | \$4.3                         | \$11.5                           | \$37,952                                  | \$81.0                              | \$7.2                                  |
| 2004 | 298,033                | 10,451                       | 306,432                            | 110.2                     | 4,675                             | \$4.5                         | \$12.4                           | \$38,521                                  | \$82.0                              | \$7.5                                  |
| 2005 | 309,530                | 10,063                       | 314,839                            | 115.1                     | 4,550                             | \$4.7                         | \$13.5                           | \$39,502                                  | \$83.5                              | \$7.8                                  |
| 2006 | 320,769                | 9,765                        | 323,388                            | 120.2                     | 4,855                             | \$4.9                         | \$14.6                           | \$40,176                                  | \$84.3                              | \$8.2                                  |
| 2007 | 331,742                | 9,470                        | 332,056                            | 125.5                     | 4,400                             | \$5.0                         | \$15.7                           | \$40,984                                  | \$85.3                              | \$8.6                                  |
| 2008 | 342,441                | 9,184                        | 340,814                            | 131.1                     | 4,711                             | \$5.4                         | \$17.0                           | \$41,927                                  | \$86.1                              | \$8.8                                  |
| 2009 | 352,935                | 8,958                        | 349,645                            | 136.9                     | 4,501                             | \$5.7                         | \$18.2                           | \$42,511                                  | \$86.9                              | \$9.0                                  |
| 2010 | 363,230                | 8,746                        | 358,517                            | 143.0                     | 4,589                             | \$6.0                         | \$19.5                           | \$43,206                                  | \$87.9                              | \$9.3                                  |
| 2011 | 373,234                | 8,458                        | 367,366                            | 149.4                     | 4,558                             | \$6.4                         | \$20.7                           | \$43,645                                  | \$88.8                              | \$9.7                                  |
| 2012 | 382,784                | 7,997                        | 376,081                            | 156.0                     | 4,440                             | \$6.8                         | \$22.3                           | \$44,727                                  | \$91.4                              | \$9.9                                  |
| 2013 | 391,792                | 7,457                        | 384,545                            | 162.9                     | 4,488                             | \$7.2                         | \$23.9                           | \$45,665                                  | \$93.3                              | \$9.9                                  |
| 2014 | 400,358                | 7,022                        | 392,707                            | 170.1                     | 4,556                             | \$7.7                         | \$25.5                           | \$46,520                                  | \$95.6                              | \$9.9                                  |
| 2015 | 408,655                | 6,763                        | 400,580                            | 177.7                     | 4,627                             | \$8.1                         | \$26.9                           | \$46,988                                  | \$98.4                              | \$10.0                                 |
| 2016 | 416,767                | 6,592                        | 408,182                            | 185.5                     | 4,723                             | \$8.6                         | \$28.9                           | \$48,147                                  | \$101.7                             | \$10.0                                 |
| 2017 | 424,749                | 6,479                        | 415,545                            | 193.7                     | 4,729                             | \$9.1                         | \$30.9                           | \$49,368                                  | \$105.5                             | \$10.0                                 |
| 2018 | 432,671                | 6,434                        | 422,693                            | 202.2                     | 4,858                             | \$9.7                         | \$33.2                           | \$50,694                                  | \$108.8                             | \$10.2                                 |
| 2019 | 440,569                | 6,439                        | 429,656                            | 211.0                     | 4,910                             | \$10.3                        | \$35.4                           | \$51,826                                  | \$112.0                             | \$10.4                                 |
| 2020 | 448,409                | 6,415                        | 436,440                            | 220.2                     | 4,932                             | \$10.9                        | \$37.6                           | \$53,008                                  | \$115.0                             | \$10.7                                 |

- Employment growth in services averages 6.1 percent per year over the next 5 years, compared to 8.2 percent growth between 1995 and 2000. Most of the jobs created in the region and Placer County will be in the services sector, including information technology, professional services, and healthcare.

- Population growth remains high but slows gradually between 2002 and 2007. The average projected rate of growth (3.9 percent) is still greater than the 1995 to 2000 rate of growth (3.1 percent). More housing in the County will be built over the next 5 years, accommodating the growing population. The forecast expects 4,000 to 5,000 new housing permits per year.





| Total<br>Wage & Salary<br>(000) | Farm<br>(000) | Mining &<br>Construction<br>(000) | Manufacturing<br>(000) | Transportation,<br>Utilities<br>(000) | Wholesale,<br>Retail<br>Trade<br>(000) | Finance,<br>Real<br>Estate<br>(000) | Services<br>(000) | Government<br>(000) |
|---------------------------------|---------------|-----------------------------------|------------------------|---------------------------------------|--|-------------------------------------|-------------------|---------------------|
| -----employment (jobs)-----     |               |                                   |                        |                                       |  |                                     |                   |                     |
| 75.2                            | 0.4           | 5.3                               | 8.8                    | 3.6                                   | 20.5                                   | 3.9                                 | 20.0              | 12.8                |
| 82.0                            | 0.4           | 6.1                               | 9.7                    | 3.5                                   | 22.0                                   | 4.0                                 | 22.8              | 13.4                |
| 88.8                            | 0.5           | 7.0                               | 10.3                   | 3.7                                   | 23.5                                   | 4.5                                 | 24.9              | 14.4                |
| 95.1                            | 0.4           | 8.2                               | 10.9                   | 3.8                                   | 24.6                                   | 5.1                                 | 26.4              | 15.7                |
| 101.6                           | 0.3           | 9.8                               | 11.8                   | 3.9                                   | 25.8                                   | 5.4                                 | 27.8              | 16.8                |
| 109.1                           | 0.4           | 10.9                              | 12.9                   | 4.2                                   | 27.4                                   | 6.1                                 | 29.6              | 17.7                |
| 112.6                           | 0.4           | 12.1                              | 13.0                   | 4.2                                   | 28.1                                   | 6.3                                 | 30.1              | 18.4                |
| 118.6                           | 0.4           | 13.1                              | 12.9                   | 4.2                                   | 28.6                                   | 6.9                                 | 32.5              | 20.0                |
| 123.3                           | 0.4           | 13.6                              | 13.3                   | 4.2                                   | 29.0                                   | 7.1                                 | 34.8              | 20.8                |
| 128.5                           | 0.6           | 13.9                              | 13.8                   | 4.3                                   | 29.6                                   | 7.5                                 | 37.1              | 21.8                |
| 133.6                           | 0.8           | 14.2                              | 14.3                   | 4.3                                   | 30.3                                   | 7.7                                 | 39.3              | 22.6                |
| 138.9                           | 1.1           | 14.4                              | 14.8                   | 4.4                                   | 31.2                                   | 8.0                                 | 41.6              | 23.5                |
| 143.7                           | 1.0           | 14.7                              | 15.2                   | 4.4                                   | 32.0                                   | 8.3                                 | 43.8              | 24.4                |
| 148.3                           | 0.8           | 14.9                              | 15.6                   | 4.4                                   | 32.9                                   | 8.6                                 | 45.9              | 25.3                |
| 153.1                           | 0.9           | 14.9                              | 15.9                   | 4.4                                   | 33.9                                   | 8.8                                 | 48.0              | 26.4                |
| 157.6                           | 0.9           | 14.7                              | 16.2                   | 4.5                                   | 34.8                                   | 9.1                                 | 49.9              | 27.5                |
| 161.5                           | 1.0           | 14.5                              | 16.4                   | 4.5                                   | 35.8                                   | 9.2                                 | 51.6              | 28.5                |
| 164.6                           | 1.1           | 14.3                              | 16.5                   | 4.4                                   | 36.8                                   | 9.3                                 | 52.9              | 29.1                |
| 166.6                           | 1.2           | 14.0                              | 16.7                   | 4.4                                   | 37.7                                   | 9.4                                 | 53.8              | 29.4                |
| 168.2                           | 1.2           | 13.7                              | 16.7                   | 4.4                                   | 38.5                                   | 9.4                                 | 54.7              | 29.5                |
| 170.0                           | 1.2           | 13.5                              | 16.8                   | 4.5                                   | 39.4                                   | 9.5                                 | 55.6              | 29.6                |
| 171.9                           | 1.2           | 13.5                              | 16.7                   | 4.5                                   | 40.2                                   | 9.5                                 | 56.5              | 29.8                |
| 173.9                           | 1.2           | 13.5                              | 16.7                   | 4.5                                   | 41.0                                   | 9.6                                 | 57.3              | 30.0                |
| 176.0                           | 1.3           | 13.5                              | 16.5                   | 4.6                                   | 41.9                                   | 9.7                                 | 58.2              | 30.3                |
| 178.1                           | 1.4           | 13.7                              | 16.3                   | 4.6                                   | 42.7                                   | 9.7                                 | 59.0              | 30.7                |
| 180.1                           | 1.4           | 13.8                              | 16.0                   | 4.6                                   | 43.5                                   | 9.7                                 | 59.8              | 31.2                |

- Real per capita incomes rise an at annual compound rate of 1.7 percent over the next 5 years. Real (inflation-adjusted) salaries in the County average \$37,100 in 2002. The increase in real average salaries is modest over the next several years due to the composition of jobs created (high and low wage services, low wage retail trade, and high wage manufacturing).

- The median home selling price in Placer County was \$245,500 in 2001. Over the forecast horizon, the median price rises an average of 1.6 percent per year, adjusted for inflation. This appreciation rate is in line with the average real rate of price appreciation (2 percent) that prevailed between 1995 and 2000.